February 9, 2011

Fair Political Practices Commission
428 J Street, Suite 800
Sacramento, CA 95814

To Commissioners,

We agree with commission staff that donor disclosure requirements for multi-purpose organizations are complicated and we agree with Political Reform Act Task Force that the commission should review the current regulations and start the process for making them better.

A problem with current regulations is that nonprofit have too much leeway for reporting donors. Although the commission advises these organizations to report donors based on the *California Pro Life Council v. Randolph* regulations, there do not seem to be clear regulations for all multi-purpose organizations.

We suggest a three part path toward a solution.

1) Apply the *California Pro Life Council v. Randolph* regulation about reporting to all multi-purpose organizations in the interim: “any reasonable method that accurately reflects the sources of funds for the [independent] expenditure, such as apportioning the donor's payments, or using the last in, first out, accounting method.”

2) Require multi-purpose organizations to maintain records of all their donations and solicitations in the event that an audit should be performed.

3) As commission staff suggested, hold at least two interested persons meetings on the topic in addition to doing outreach to organizations that have perspectives and fundraising information that should be part of a discussion before a regulatory decision.

Sincerely,

Katie Fleming
Policy Advocate